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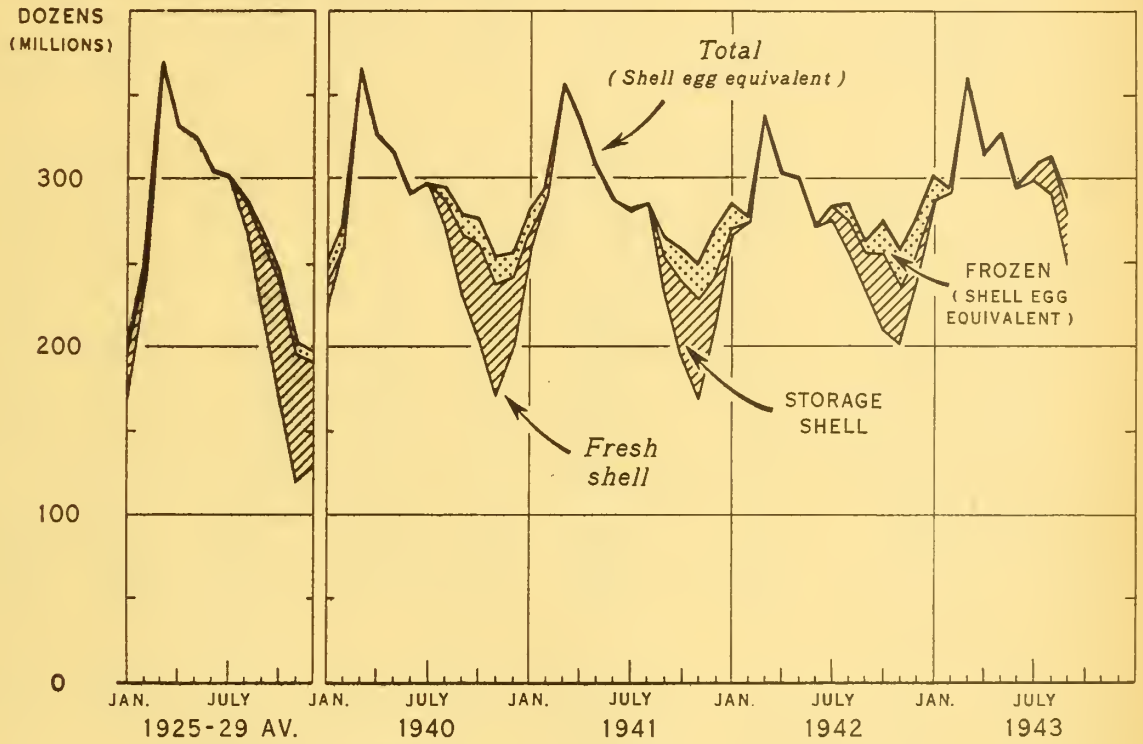
THE Poultry and Egg SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

PES-82 6 BAE OCTOBER 1943

ESTIMATED CIVILIAN DISAPPEARANCE OF SHELL AND FROZEN EGGS, UNITED STATES, 1925-29 AVERAGE AND 1940-43



DISAPPEARANCE DATA ARE PRELIMINARY, ESPECIALLY FOR THE WAR PERIOD

U. S. DEPARTMENT OF AGRICULTURE NEG. 43335 BUREAU OF AGRICULTURAL ECONOMICS

Because of increased production of eggs on farms in the fall and winter months in recent years, apparent civilian disappearance of eggs in that period has increased greatly. In the last quarter of 1943 total disappearance will be somewhat larger than a year earlier and about 50 percent larger than the 1925-29 average. The increase for 1943 as a whole over the 1925-29 annual average will be less than 15 percent. The changed seasonal pattern of supplies has been accompanied by a considerable reduction in the seasonal variation in prices received by farmers for eggs.

STATISTICAL SUMMARY

ITEM	UNIT	SEPTEMBER AVERAGE		1942		1943		PCT. OF YEAR EARLIER
		PERIOD	AVERAGE	AUGUST	SEPTEMBER	AUGUST	SEPTEMBER	
Number of layers on farms	*Million*	1932-41	256.6	288.6	303.0	316.1	332.0	110
Number of eggs laid per hen	*Number*	1932-41	8.99	12.31	10.00	12.22	9.95	100
Total farm production of eggs	*Mil. case*	1932-41	6.41	9.86	8.42	10.73	9.18	109
Stocks, eggs U. S.:[1]								
Shell	*1,000 case*	1932-41	6,007	6,751	5,421	7,529	6,012	111
Frozen	*1,000 case*	1932-41	8,122	7,254	6,263	9,163	8,164	130
Total	*1,000 case*	1932-41	9,128	14,005	11,684	16,692	14,176	121
Purchases, eggs, USDA:								
Dried[2]	*Mil. lb.*	--	--	9.0	9.9	8.4	4.2	42
Shell, direct	*1,000 case*	--	--	12.0	8.7	5.8	0.8	8
Dried egg production	*Mil. lb.*	--	--	22.5	21.7	16.0	19.9	92
Commercial hatchery operations:								
Eggs set	*Million*	--	--	36.6	34.5	48.9	37.9	110
Chicks hatched	*Million*	--	--	22.4	22.2	29.1	24.5	110
Receipts:								
Poultry, dressed, four markets	*Mil. lb.*	1932-41	26.8	36.8	43.2	29.0	41.1	95
Poultry, live Chicago[3]	*Car*	1937-41	894	421	518	375	446	86
Poultry, live, New York[3]	*Car*	1937-41	783	564	701	709	858	122
Poultry, live, Midwest, per plant	*1,000 lb.*	1932-41	28.42	82.88	44.59	31.63	42.60	96
Fowl (hens), live, Midwest, per plant	*1,000 lb.*	1932-41	8.24	12.88	15.78	13.98	15.76	100
Young stock, live, Midwest, per plant	*1,000 lb.*	1932-41	14.75	19.82	27.84	16.96	26.30	94
Stocks, poultry:[1]								
Broilers	*Mil. lb.*	1932-41	11.2	7.9	9.8	5.8	9.5	102
Fryers	*Mil. lb.*	1932-41	4.9	5.8	11.8	5.4	9.5	84
Roasters	*Mil. lb.*	1932-41	6.9	7.6	20.1	7.4	14.8	74
Fowls (hens)	*Mil. lb.*	1932-41	12.8	22.7	29.8	16.0	23.6	79
Turkeys	*Mil. lb.*	1932-41	6.4	12.1	8.0	5.2	9.6	120
Ducks	*Mil. lb.*	1932-41	8.0	9.2	9.4	8.2	8.6	38
Miscellaneous and unclassified	*Mil. lb.*	1932-41	22.0	21.2	27.7	12.3	15.4	56
Total poultry	*Mil. lb.*	1932-41	63.6	86.6	115.5	55.8	86.0	74
Prices received by farmers:								
Eggs, per dozen	*Cent*	1932-41	22.6	32.2	34.7	38.8	41.6	120
Eggs, parity price per dozen	*Cent*	1932-41	30.6	31.7	37.3	34.8	40.5	109
Eggs, percentage of parity	*Percent*	1932-41	74	102	98	111	103	111
Chickens, per pound	*Cent*	1932-41	13.9	19.6	20.3	25.6	25.2	124
Chickens, parity price per pound	*Cent*	1932-41	14.7	17.3	17.4	18.8	18.8	108
Chickens, percentage of parity	*Percent*	1932-41	95	118	117	136	134	115
Turkeys, per pound	*Cent*	1937-41	15.6	19.9	21.7	28.8	29.0	134
Turkeys, parity price per pound	*Cent*	1937-41	18.8	21.9	22.0	28.8	23.8	108
All farm commodities (1910-14 = 100)	*Index no.*	1932-41	103	163	163	198	198	118
Chickens and eggs (1910-14 = 100)	*Index no.*	1932-41	110	156	166	198	201	121
Wholesale prices, Chicago:								
Eggs, standards, per dozen[4]	*Cent*	1932-41	22.2	34.2	35.5	40.8	42.9	121
Live heavy hens, per pound	*Cent*	1937-41	18.8	22.5	22.6	24.0	23.9	106
Live broilers, per pound	*Cent*	1937-41	19.4	25.7	27.8	27.2	25.8	95
Live roasters, light, per pound	*Cent*	1937-41	17.8	24.8	25.2	27.2	25.8	102
Live roasters, heavy, per pound	*Cent*	1937-41	17.8	24.9	24.2	27.2	25.8	107
Wholesale prices, New York:								
Dressed broilers, 25-30 pounds per dozen	*Cent*	1932-41	20.6	29.5	30.5	36.5	36.5	120
Dressed roasters, 48-54 pounds per dozen	*Cent*	1932-41	22.5	35.2	32.8	36.5	36.5	111
Dressed fowls, 48-54 pounds per dozen	*Cent*	1932-41	20.8	28.7	29.5	32.5	32.5	110
Cash farm income:								
Total marketings	*Mil. dol.*	1937-41	941	1,412	1,726	1,770	--	125
Poultry and eggs	*Mil. dol.*	1937-41	73	125	119	185	--	148
Price ratios:								
Chicago, broiler-feed	*Lb. feed*	1937-41	14.7	15.2	15.9	12.7	11.9	75
Chicago, light roaster-feed	*Lb. feed*	1937-41	18.5	14.6	14.7	12.7	11.9	81
Farm, egg-feed	*Lb. feed*	1932-41	18.8	19.8	20.7	18.2	19.3	93
Farm, chicken-feed	*Lb. feed*	1932-41	11.7	11.7	12.1	12.0	11.7	97
Farm, turkey-feed	*Lb. feed*	1937-41	12.7	11.9	12.9	13.5	13.5	105
Feed cost per cwt., farm poultry ration	*Dollar*	1932-41	1.27	1.67	1.68	2.18	2.15	128
Wholesale food prices (1935-39 = 100)	*Index no.*	1932-41	97.4	127.4	129.5	188.8	132.7	102
Retail food prices (1935-39 = 100)	*Index no.*	1932-41	99.1	126.1	126.6	187.2	137.4	109
Prices paid by farmers including interest and taxes (1910-14 = 100)	*Index no.*	1932-41	129	152	158	165	165	108
Retail prices (BLS):								
Roasters, dressed, per pound	*Cent*	1932-41	30.4	42.0	42.5	44.3	44.5	105
Eggs, strictly fresh, per dozen	*Cent*	1932-41	38.4	51.7	55.2	59.2	62.7	114
Nonagricultural employees' compensation (1935-39 = 100)	*Index no.*	1932-41	96.5	191.9	198.2	237.8	--	124

[1] End of month. Frozen eggs converted to case equivalent.

[2] Includes purchases for future delivery.

[3] Car equivalent of receipts by freight, truck, and express.

[4] Fresh first September 1932-41 average, August, September 1942; standards, 43 pounds August, September 1943.

THE POULTRY AND EGG SITUATION

Summary

Recent actions by the War Food Administration will tend to increase civilian supplies of eggs for this fall and winter over what otherwise would result. Forthcoming actions, as announced in early October, consist of (1) termination of FDO 40 which was designed to restrict the storage of shell eggs largely to governmental uses and (2) cancellation of as much as 50 percent of forward contracts for dried egg calling for delivery to FDA in November, December, and January. The latter is being carried out on a voluntary basis and, therefore, may not approach 50 percent of outstanding contracts. The backlog against drying contracts apparently is comprised mostly of frozen egg, ceilings for which apparently favor to some extent sales for drying under existing contracts over sales for other uses.

Production of eggs on farms during September was 9 percent larger than the previous record for that month set last year. The number of layers on farms is increasing seasonally at a level higher than a year ago. Flocks consist of a larger proportion of pullets this year than last. In early October supplies of eggs in most wholesale markets were short of demand at ceiling prices, but were increased relatively following the lifting of storage restrictions. The average price received by farmers for eggs in mid-September was 41.6 cents per dozen compared with 38.8 cents in August and 34.7 cents in September last year. Ceiling prices for eggs have about reached the seasonal peak for this fall.

Marketings of chickens are continuing to increase seasonally and civilian supplies in the last quarter of this year will be the largest for

any 3-month period in history. Prices of dressed birds are firm at ceiling levels but, apparently because of labor shortages and some other handicaps in dressing plants, prices of live birds have been a little below ceilings in recent weeks. The demand for baby chicks for commercial broiler producti continues at unprecedented levels. The embargo on sales of turkey for civilian use was lifted in late October -- just as soon as overseas military needs were met in full and commitments received for military requirements in the United States.

October 21, 1943

REVIEW OF RECENT DEVELOPMENTS

The number of layers on farms has begun to increase seasonally, as pullets from this year's record hatch are added to laying flocks. The increase in number of layers on farms from August to September was about 10 percent larger this year than last but the rate of increase, however, was about the same as last year. Laying flocks in September averaged 10 percent larger than the previous record of a year earlier. Flocks were the largest in all regions except in the Western States where present numbers were exceeded only in 1930.

The rate of lay per bird in the United States has continued at near-record levels. The average number laid during September was 0.5 percent lower than a year ago. In the North Central States the number of eggs laid per bird slightly exceeded the previous record which was set in September last year but the rate in other sections was slightly below previous highs. Compared with the 10-year (1932-41) average the rate of lay per bird ranged from 2 percent greater in the Western States to 18 percent greater in the West North Central States.

Total egg production in the United States in September was 9 percent greater than in September last year. The increases over a year earlier in t September output by regions, were as follows: North Atlantic 7 percent; East North Central 5 percent; West North Central 12 percent; South Atlantic 13 percent; South Central 8 percent; Western States 11 percent. The output of eggs in the first 9 months was 13 percent larger than in the correspondin months of 1942.

Despite heavier production in all regions and in all except five States, available records indicate that receipts at normal primary markets i September were smaller than a year earlier, apparently reflecting some shift from the usual marketing channels. Receipts of eggs at terminal markets have continued larger than a year earlier.

Egg Price Ceilings Nearing Seasonal Peak

Ceiling prices for eggs of retail grades A and B have been increasing periodically since the first week in June 1943. The maximum level for Grade A reached the seasonal high for the year in mid-October and is scheduled to decline beginning in early November. Grade B eggs reach a high in early November and will begin dropping seasonally in the last week of November. The ceiling for Grade C, which has been increasing gradually since the second week of July, will reach the seasonal high the first week of November and will begin to decline at the beginning of December. Ceilings on wholesale grades of eggs have been unchanged since early October.

For several months prices of top-grade eggs in wholesale markets have been firm at ceiling levels. Prices of low-grade eggs were a little below ceilings in August and most of September. In the latter part of September prices of this stock strengthened slightly but tended to recede in early October following the lifting of FDO 40. Prices of refrigerator eggs have been close to ceiling levels despite the rather heavy storage withdrawals.

In mid-October wholesale prices of standards at Chicago were 11 percent higher than prices a year ago for fresh firsts, a grade fairly comparable to the present series for standards. Prices a year ago were under the control of temporary ceilings which were in effect from October 5, 1942, until March of this year. The average retail price for strictly fresh eggs in 51 cities of the United States in mid-August was 59.2 cents per dozen compared with 51.7 cents a year earlier. With the average price received by farmers in mid-August of 38.8 cents, the spread between the published farm and retail prices was 20.4 cents per dozen compared with 19.5 cents last year and the 1935-39 average for August of 15.8 cents per dozen.

Withdrawal of Eggs from Storage in September Largest on Record

According to the provisions of FDO 40, issued on March 22, 1943, supplies of storage shell eggs at the beginning of the current out-of-storage season could legally consist only of eggs placed in storage prior to March 25, 1943, and an allowance for working inventories. All other shell eggs legally held were to have been owned by Government agencies or specifically set aside for eventual Government use. Stocks of shell eggs on July 1, the seasonal high for this year, totaled nearly 9 million cases, the largest on record for any date since August 1, 1933. In the July-September quarter, net withdrawals of shell eggs from storage were the largest on record for that period. Withdrawals in September were larger than a year earlier even though less were used in drying this year than last. The increased movement reflects increased civilian uses and probably relatively large quantities for the military and other war uses.

The lifting in early October of all provisions of FDO 40 except those concerning violations or obligations made prior to the effective time of the termination order, together with seasonally high ceiling prices, resulted in an acceleration of the out-of-storage movement. Prices of some refrigerator eggs occasionally were slightly below the prevailing ceiling levels.

FDO 41, issued on March 22, 1943, and designed to limit the amount of liquid, frozen, and dried egg produced for civilian uses in 1943, was revoked in late October. Specifically this measure provided that spray dried whole egg could be produced only for Government account and that all other liquid, frozen, or dried egg products could not be produced in the year ending February 1, 1944, in larger amounts than the quantities produced a year earlier for other than Government uses. With complete revocation of the order, any stocks that were being held for disposition as provided were released for sale in regular commercial channels and unlimited production is permitted.

Largely because of forward contracts for dried whole egg, an unprecedented amount of frozen egg has been produced this year. Output in the first 9 months of 1943 totaled 410 million pounds compared with a total of 258 million pounds in all of 1942. The ceiling price for frozen egg has been increasing 0.3 cent or 0.4 cent monthly since June and will reach the seasonal high in January. From January to March the maximum level recedes to the seasonally low level applicable to the spring period of flush production of eggs on farms.

July-September Dried Egg Output
16 percent Under a Year Earlier

Production of dried egg in the United States in the first 6 months of 1943 totaled 138 million pounds compared with 112 million pounds in the corresponding months of 1942. Since June, however, the output of dried egg has declined in accordance with reductions called for in the schedule of delivery of dried egg to Government agencies which in turn was established by forward contracts. In September about 20 million pounds of dried egg were produced compared with 16 million pounds in August and 21.7 million pounds in September 1942. In the July-September quarter of 1943 a total of 57 million pounds of dried egg was produced compared with 68 million pounds a year earlier.

Purchases of dried egg by the Food Distribution Administration were discontinued in the first week of October 1943. Between January 1 and October 9, 1943, the FDA purchased 246 million pounds of dried egg, of which 33 million pounds were for delivery in January 1944. On October 2, 1943, the War Food Administration announced that egg-drying plants could apply for cancellation of up to 50 percent of their November, December, and January delivery contracts with FDA. Any dried egg involved in the cancellation of such contracts will result in an equivalent increase in supplies of shell and frozen egg for usual commercial uses. Before cancellations will be granted, satisfactory proof is being required that drying firms hold enough shell and frozen egg to cover the forward contracts. Up to mid-October relatively few requests had been received for release from the forward contracts. The backlog against these commitments apparently consists largely of frozen egg, ceilings for which favor use in producing dried egg over uses in normal commercial channels.

Marketings of Chickens at Seasonal Peak

Supplies of live poultry in all primary and terminal markets have been increasing steadily for several months. In most instances they have increased sufficiently to satisfy the demand even at less than ceiling prices. Prices of dressed birds, on the other hand, have been steady at ceiling prices in most terminal markets of the Nation. Poultry dressing operations, apparently, are being hampered as a result of inadequate supplies of labor. Total receipts of live poultry at Midwest primary markets in August and September were a little under the record of a year earlier. In early October receipts were larger than a year earlier and nearly equal to the all-time record average weekly receipts per plant reached in September 1942. In the first half of October receipts of young stock were much larger than a year earlier and receipts of fowl (mature hens) were about the same as last year. In the 3 months ended September 30 receipts of fowl were much larger than in the corresponding months of last year but marketing of young stock was slightly smaller in the North Central States. Chicken prices relative to prices and supplies of feed have been favorable to delayed marketings of chickens. Receipts of dressed poultry at New York have been running a little larger than a year earlier. Included, of course, are any turkeys sent through that city bound for overseas military forces. Receipts at the four principal markets have increased much more than seasonally and, though they are still a little smaller than those of a year ago, they are much larger than the average.

Prices of live chickens at Chicago in mid-October ranged from 6 percent lower than a year earlier for broilers to 14 percent higher for fryers. Prices of fowl were higher by from 19 to 24 percent. Prices of dressed birds at New York ranged from 15 percent higher for broilers to 32 percent higher for fryers. Prices of fowls were from 20 to 31 percent higher than a year earlier. The average price received by farmers in the United States for all classes of chickens in mid-September was 25.2 cents per pound compared with 25.6 cents in August and 20.3 cents in September 1942.

Through amendments to RMPR 269 issued in the past month, ceiling prices for dressed birds were raised 1 cent per pound and prices of drawn and eviscerated birds were lowered slightly. Maximum prices for live birds for basing point cities have not been changed.

Storage Stocks of Poultry Now Above Average

With unusually heavy marketings of poultry and relatively heavy storing of poultry for future use by the armed forces, for eviscerating and canning, and for normal commercial uses, total storage stocks of poultry have increased greatly in the past 3 months. In September the net into-storage movement was 6 percent larger than the record movement in September last year and nearly twice the pre-1942 record high. On October 1, holdings of poultry in storage totaled 86 million pounds, compared with 116 million pounds a year earlier and the 1932-41 average of 64 million pounds. The larger net in-movement this year than last was due primarily to a reversal in the movement of turkey as compared with last year. Stocks of turkey

were increased 4.5 million pounds this year whereas in the corresponding period of 1942 turkey holdings were reduced 4.1 million pounds.

Embargo on Sales of Turkey for Civilians Lifted in Late October

To meet urgent military demands for turkey the WFA in early August issued FDO 71 which was designed to limit practically all transactions in turkey to ultimate military uses. The only turkey that was sold for civilian use between mid-August and late October consisted of birds not meeting the minimum standards established by the military forces. Before mid-October purchases for overseas needs had been completed and sufficient commitments for domestic military needs had been obtained by late October. FDO 71 accordingly was lifted upon the completion of its objective, and sales for civilian uses may now be made without restrictions.

Purchases of dressed turkey during September were made at 8-1/2 cents over the maximum base price for the same kind of live turkeys or 1-1/2 cents over the ceilings to civilians. In October, purchases were made at 1/2 cent below the September price but 8 cents over the corresponding ceiling for live birds or 3 cents over the ceilings that would cover sales to civilians. This pricing action was scheduled to lapse with the expiration of FDO 71.

Because of the purchases of turkey by the military forces, storage stocks of turkey were increased during September for the first time in more than a decade.

Demand for Hatchery Chicks Continuing Strong

Although the feed supply situation threatens to get tighter in coming months, the demand for baby chicks is continuing at unprecedented levels in all sections of the Nation. The number of chicks on order October 1 for later delivery was 98 percent larger than a year earlier, with increases ranging from 12 percent in the Mountain and South Central States to 147 percent in New England.

During September about 24.5 million chicks were hatched by commercial hatcheries. This output was 10 percent larger than the previous record set for September in 1942. Production for the first 9 months of 1943 totaled 1,357 million chicks, compared with 1,122 million during the corresponding period last year -- an increase of 21 percent.

The supply of hatching eggs continued to be the limiting factor in the output of commercial hatcheries, as it apparently has been for more than a year. Compared with the previous record in September 1942, this year's settings in September were increased 10 percent. Decreases were shown for the Pacific, the South Central, New England, and West North Central States, while other parts of the country showed increases.

OUTLOOK

Favorable Weather Results in Further Improvement in Crop Prospects

The supply of feed grains in 1943-44, including wheat and rye for feeding, based on October 1 prospects, is about 148.0 million tons, 2 percent larger than that indicated September 1 and 3 percent larger than the August 1 indication, but 4 percent smaller than the actual 1942-43 supply of 154.3 million tons.

Total supplies of the principal vegetable protein and byproduct feeds are likely to be slightly larger than in 1942-43, but supplies of animal protein will be about as great. With the feed supplies now in prospect and about 10 percent more livestock animal units on farms on January 1, 1944, supplies of all feed concentrates per animal unit in 1943-44 will be about 12 percent smaller than last year. However, if stocks of feed grains are reduced to minimum by October 1944, total disappearance of feed in 1943-44 would be only slightly smaller than in 1942-43 but about 9 percent smaller per animal unit on farms January 1. The average protein content of the national feed supply in 1943-44 probably will be slightly above the previous record of 1942-43.

In mid-September, the average price paid by farmers for laying mash was 17 percent higher than a year earlier and 8 percent higher than in the main hatching months of last spring. The egg-feed ratio is relatively favorable, however, and is likely to continue favorable into 1944, but probably not as favorable as a year earlier.

Supplies of Poultry to be Seasonally Heavy in Remainder of 1943

With much heavier production of commercial broilers and considerably more chickens raised on farms for flock replacement purposes, marketings of chickens have been very heavy and will continue at record levels through the remainder of this year. Total supplies of chicken for civilians in the last 3 months of 1943 will be the largest for any 3 months in history.

Receipts of young stock at Midwest primary markets at the beginning of October were about equal to the all-time peak reached in September 1942. In view of the apparent delay in marketing some young birds and the unusually heavy late hatch, it is likely that receipts will continue near record levels during much of the remainder of the year.

Marketings will be large relative to the operating capacity of plants. By practicing orderly marketing, farmers may benefit by higher prices than if birds are marketed indiscriminately. In early October prices of dressed birds in terminal markets were steady at ceiling prices but prices of live birds in some sections, particularly in the Midwest, were moderately below ceilings. Barring unusually unfavorable weather which may be followed by serious market gluts, prices of chickens are likely to continue near ceiling levels in most localities at all stages of distribution.

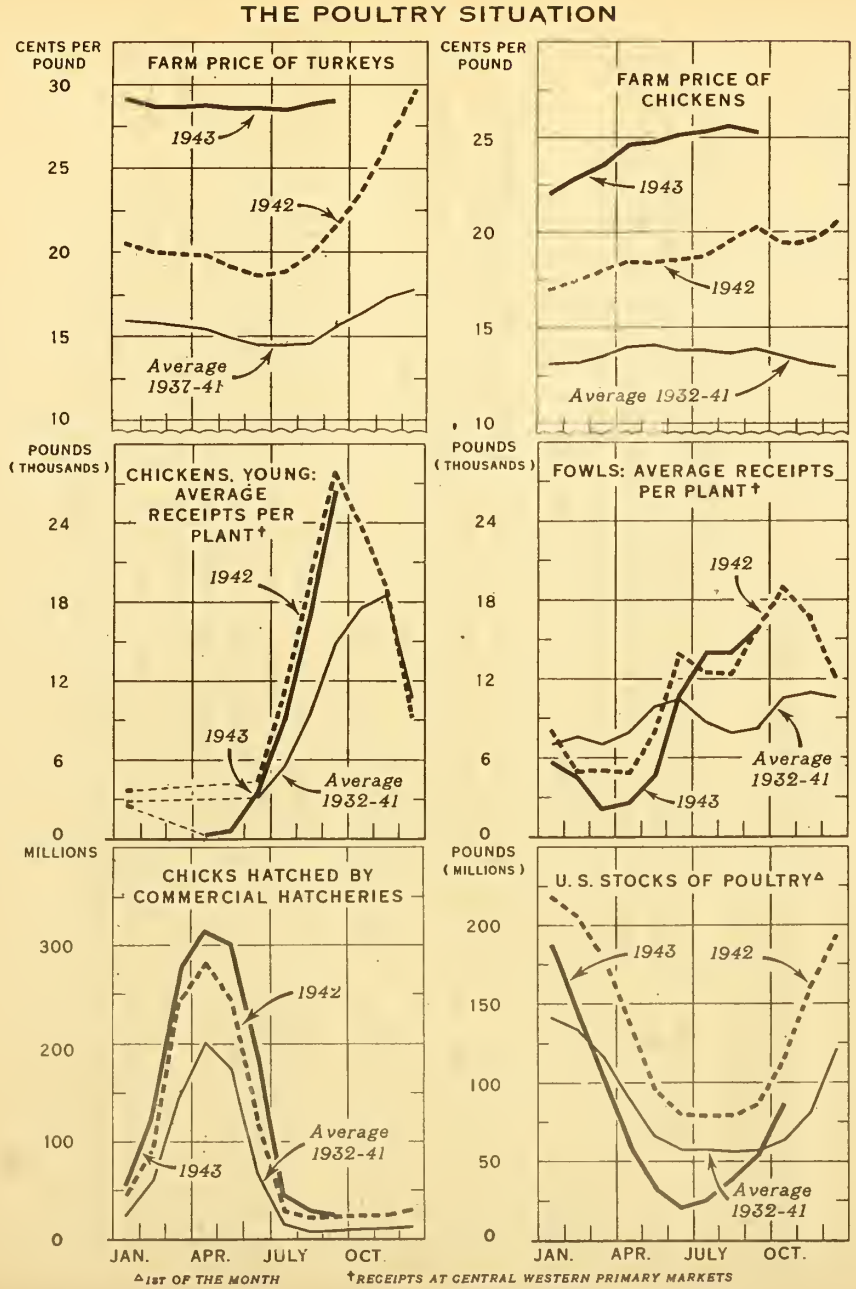


FIGURE 1

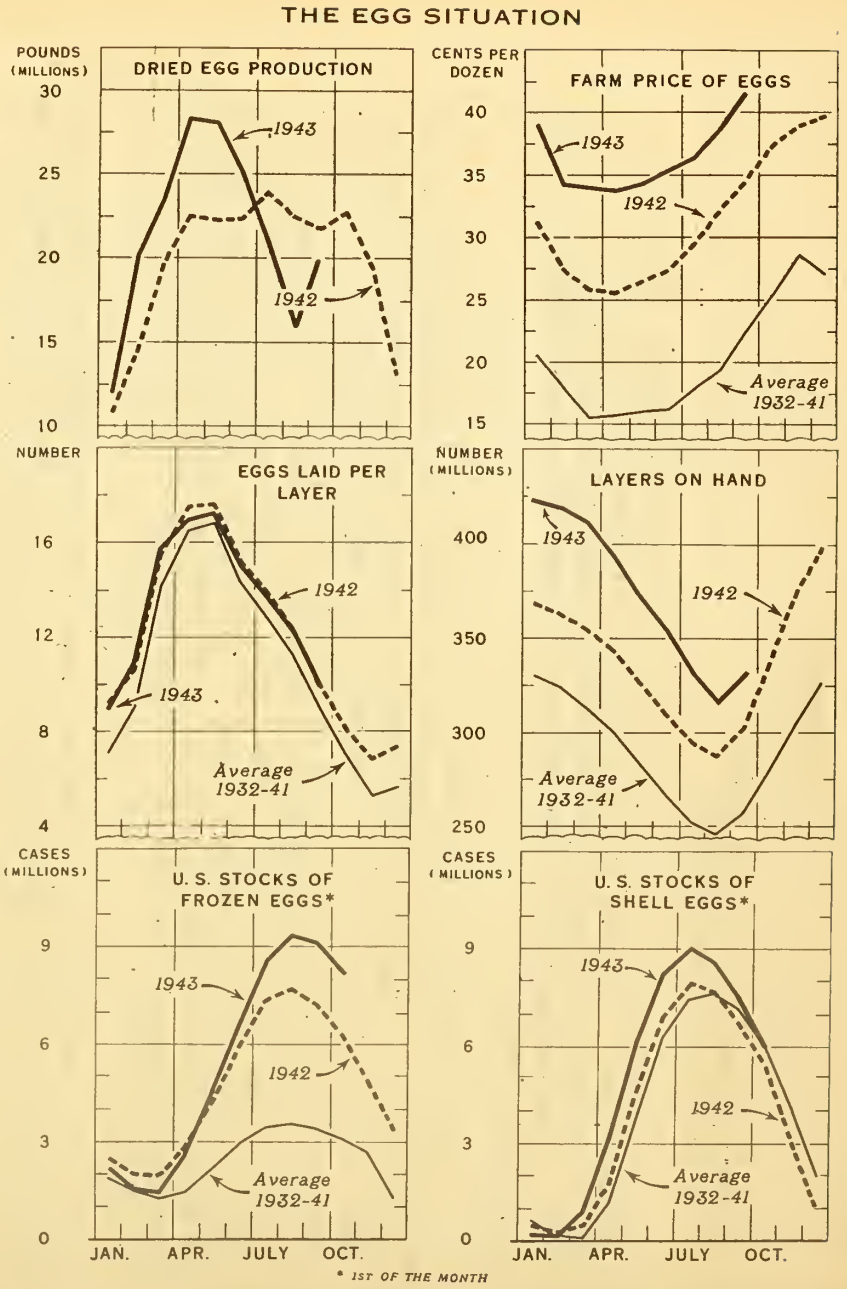


FIGURE 2

Marketings of turkeys will be at the seasonal peak during November and December. Total marketings this fall will be about as large as a year earlier but, because of the larger amounts going into military uses, supplies for civilians will be somewhat smaller than in the fall of 1942. Supplies will be particularly short relative to demand at prevailing ceilings in Eastern areas, since these sections are on a deficit-producing basis. With the strong demand in all regions, turkeys will tend to be consumed nearer the points of production.

The schedule of ceiling prices for live turkeys, as originally announced in November 1942, will continue in effect for the 1943 marketing season.

Number of Potential Layers
12 Percent Over a Year Ago

The number of hens one year old or older on farms October 1 was 9 percent larger than a year ago and 29 percent above the 10-year average. On January 1 the number of potential layers was 14 percent larger than a year previous. The apparent decline from January 1 to October 1 this year relative to last year is due to the rather sharp increase in numbers which occurred up to October 1 last year and to heavy culling and marketing of hens from laying flocks this past summer and fall. The number of laying pullets in flocks on October 1 was 12 percent larger than a year earlier, while pullets not of laying age were up 15 percent. The number of potential layers on October 1 -- hens and all pullets -- was 12 percent larger than a year previous and 40 percent above the 10-year average. Of these potential layers 63 percent were pullets, compared with 62 percent a year ago.

The number of potential layers will increase seasonally until early in January, and the number at that time will depend primarily on the extent to which adequate feed supplies continue to be available in all regions. Based on past relationships between the number of chickens raised in the usual season and the number of layers on December 31 each year, an increase over a year earlier of 8 to 10 percent in number of hens and pullets on farms at the end of 1943 would be expected.

Egg production this fall and winter will be moderately larger than a year earlier unless the rate of lay is sharply reduced by severe weather. Supplies of eggs for civilians will be at a record high level for the next few months and, as a whole, the over-all demand for eggs at ceiling prices will be closely filled in most consuming centers. The demand for top-grade eggs at ceiling prices, however, probably will continue to exceed supplies by a sizable margin during most of the fall period. Eggs released for commercial use, as a result of the cancellation of drying contracts, will consist mostly of frozen eggs and average quality storage shell eggs. Cancellation of drying contracts has been made possible as a result of prospective accumulation of large stocks by the end of January 1944. Comparatively large quantities of dried egg will be purchased during 1944 to meet overseas requirements. Through such purchases, any cancellations made now will be replaced from production and purchases next spring.

Seasonal Variation in Disappearance of Eggs

Prior to the development of commercial cold-storage facilities late in the nineteenth century and early in the twentieth century, eggs were extremely scarce in the fall and winter months. At that time, in order to be assured of a winter supply of eggs, many families preserved eggs in "water glass" and by other methods. The two procedures for storing eggs -- commercial and in the home -- together with a probable slight increase in winter production of eggs tended to make relatively more eggs available in the fall and winter months. In the pioneer days of commercial egg storing, however, quality of storage eggs was relatively low and the seasonal variation in prices of fresh eggs was not greatly affected. With the commencement of oil treatment of shell eggs on a large scale, in the 1920's, the natural qualities of eggs were more effectively preserved and, hence, more closely resembled fresh shell eggs.

The largest quantity of shell eggs ever stored in the United States -- 11.2 million cases -- was reached on August 1, 1930. Storage eggs were used in the largest quantity for domestic consumption in 1927. Eggs were stored in frozen form to a moderate extent through the early 1920's, but storage of frozen eggs increased most rapidly in the late 1920's and during the 1930's. In the following two tables the relative contribution of storage shell and frozen egg to the annual supply of eggs for consumption is shown.

Net withdrawals of shell eggs from storage as a percentage of the shell egg equivalent of all eggs consumed in the United States, 1916-42

Year	Percent	Year	Percent	Year	Percent	Year	Percent	Year	Percent
1916	7.8	1922	10.1	1928	8.8	1934	8.9	1940	6.5
1917	8.1	1923	9.7	1929	8.5	1935	7.7	1941	5.6
1918	8.6	1924	9.8	1930	8.8	1936	7.4	1942	6.8
1919	7.9	1925	9.2	1931	8.3	1937	7.5		
1920	9.0	1926	9.4	1932	6.9	1938	5.9		
1921	7.8	1927	9.6	1933	8.6	1939	5.8		

Net withdrawals of frozen egg from storage as a percentage of the shell egg equivalent of all eggs consumed in the United States, 1917-42

Year	Percent	Year	Percent	Year	Percent	Year	Percent	Year	Percent
1917	0.3	1923	0.7	1929	1.5	1935	2.0	1941	3.0
1918	0.4	1924	0.7	1930	1.3	1936	2.3	1942	5.3
1919	0.3	1925	0.7	1931	1.1	1937	1.8		
1920	0.5	1926	0.8	1932	1.4	1938	2.3		
1921	0.5	1927	1.0	1933	1.6	1939	2.1		
1922	0.6	1928	1.2	1934	2.1	1940	2.6		

Tentative estimates of the monthly disappearance for consumption of shell and frozen eggs are presented in tables 1 to 3. In tables 2 and 3 estimated monthly net withdrawals of shell and frozen egg are given. For months in which eggs are withdrawn from storage the contribution of fresh shell eggs is equivalent to the estimates in table 1 less the sum of estimates for corresponding months in tables 2 and 3.

This study of monthly disappearance of eggs was started with the year 1925, the earliest period for which estimates of monthly farm egg production are available. The figures on monthly disappearance were computed on the basis of shell and frozen eggs only; in the annual estimates of consumption the shell egg equivalent of dried egg also is included. On an annual basis, in the period 1925 through 1942, shell and frozen egg apparently comprised more than 98 percent of the shell egg equivalent of all eggs consumed. The estimates of monthly disappearance presented in table 1 were determined by adding to domestic production the net imports of shell and frozen egg and the net out-of-storage movement of such eggs in this country. The estimated quantities of fresh eggs used for hatching and the quantities of fresh shell eggs, storage shell eggs, and frozen eggs used in drying were subtracted in determining the apparent disappearance of each for civilian food uses. During the war period sizable quantities of storage shell eggs and some frozen egg have been used directly and indirectly for military forces. Adequate information on these uses is not available yet and no adjustment has been attempted. Available estimates of quantities used by the military were subtracted from the fresh shell egg supply in all months of each year. Consequently, during the out-of-storage season, the quantities of frozen egg and storage shell egg used by civilians are moderately overstated and the quantities of fresh shell eggs are understated by a corresponding amount. This condition is primarily responsible for the tentative nature of the estimates for the war period.

In addition to the limitation imposed by lack of information on military used by type of products, a serious limitation in the estimates also results through lack of records on floor stocks, stocks in transit, and stocks in other places not included in reports on cold-storage holdings. This limitation tends to exaggerate the apparent seasonal variation in disappearance. As production of eggs increases early in the season, stocks not counted in cold-storage reports are built up, thus indicating greater disappearance than is actually taking place. During the period of declining production the opposite condition results -- actual disappearance is greater than indicated by available information.

These considerations suggest that comparisons should be restricted to a year-to-year basis for corresponding months rather than between months within years. Hence, it is sound to conclude that the seasonal pattern of egg consumption has changed in a manner something like that indicated in accompanying tables and in the cover page chart. Data from studies made in the middle 1930's confirm indications from these data that people in the United States use moderately more eggs in the flush season of production than they do in the fall and winter months.

Many people probably have found that they actually would like to eat considerably more eggs in the cool weather of the fall and winter period than in the spring and summer but have not done so because of seasonally high prices. With the unprecedented consumer demand this fall, consumption of eggs apparently is by far the largest on record for the period, even at seasonally high ceiling prices. The monthly data have not been adjusted for varying numbers of days in calendar months. As a result, month-to-month fluctuations are somewhat overemphasized. This is particularly noticeable for March, since it is between 2 shorter months. The estimates of quantities of storage shell and frozen egg used are not strictly accurate, since they were determined on the basis of net-storage movement during each calendar month. In some months a net movement in one direction in part of the month may be offset, in whole or in part, by a net movement in the opposite direction during the remainder of the month.

Improved breeding, management, and feeding are responsible in large part for the increased rate of lay per bird which has brought about greatly increased supplies of fresh eggs available for consumption in the fall and winter months. The incentive to these improved practices was provided by the seasonally high prices that usually prevailed in these months. The seasonal pattern of numbers of layers has not changed significantly during the period for which records are available.

Total production of eggs in the 3 months, November through January 1942-43, was more than twice the average production in those months of 1925-29 and about 63 percent above production in those months of 1935-39. Production in the spring months of 1943 was about one-fourth larger than in 1925-29 and about 40 percent larger than in 1935-39. Compared with the output in November through January in the 1925-29 period, the November-January output in 1942-43 ranged from 35 percent higher in the Western States to 168 percent higher in the North Atlantic States.

Changes in production in recent years relative to 1925-29 and 1935-39 are shown in table 4, by regions. The increased supplies of eggs for civilians in the fall and winter, made possible primarily by increased production have helped bring about a considerable change in the seasonal pattern of prices received by farmers for eggs. These shifts were discussed in The Poultry and Egg Situation for May 1941 in an article entitled "A Moving Seasonal Adjustment for Egg Prices." Index numbers of seasonal variation were presented in the issue for May 1941 and brought up to date in the December issues for 1941 and 1942.

Table 1.- Apparent disappearance of shell and frozen eggs (shell egg equivalent) for civilians, United States, by months, 1925 to 1943 1/

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
	Mil. doz.	Mil. doz.	Mil. doz.	Mil. doz.	Mil. doz.	Mil. doz.	Mil. doz.	Mil. doz.	Mil. doz.	Mil. doz.	Mil. doz.	Mil. doz.
1925	163.1	217.8	346.0	304.2	315.6	284.2	282.3	263.4	251.1	227.4	188.4	187.5
1926	206.3	258.2	368.3	337.5	316.9	301.2	295.0	286.4	274.2	240.1	198.9	190.0
1927	202.1	266.5	377.8	338.7	325.2	314.3	310.6	307.3	269.2	248.3	206.0	196.0
1928	215.9	260.7	371.7	338.3	322.0	314.0	313.1	283.3	270.1	253.9	216.3	213.6
1929	231.3	239.7	376.4	335.6	339.8	305.8	306.0	296.9	270.9	252.0	200.0	197.3
1930	202.5	278.7	371.7	333.1	315.6	316.2	299.5	292.0	261.1	251.8	215.6	219.7
1931	248.6	291.9	365.7	321.5	331.8	299.7	303.1	286.4	260.6	254.2	218.9	222.5
1932	240.2	287.5	366.3	327.9	323.0	304.5	290.5	275.0	251.6	224.9	188.4	161.9
1933	216.4	258.6	318.6	310.2	292.8	275.0	267.6	261.6	244.7	231.2	201.9	205.8
1934	229.2	247.8	334.9	286.5	274.8	270.0	263.5	262.1	230.4	228.4	200.6	191.1
1935	186.1	221.1	309.3	297.5	279.8	261.0	259.1	254.8	236.2	225.5	197.8	206.1
1936	210.7	227.8	324.9	319.1	293.0	273.4	264.0	244.5	238.5	236.8	207.6	210.3
1937	229.0	261.0	336.0	304.0	303.2	285.6	292.9	277.2	267.9	250.4	231.7	230.5
1938	245.6	267.9	376.8	307.1	322.7	289.9	289.6	275.5	258.2	245.1	226.0	229.6
1939	250.1	273.2	347.0	327.3	305.1	287.9	293.3	279.7	264.6	260.8	242.0	249.1
1940	248.8	273.9	365.2	325.3	314.6	290.8	296.8	294.7	279.0	276.2	253.5	255.0
1941	279.7	291.3	352.1	328.2	302.0	281.7	275.4	279.1	258.9	251.5	240.9	262.4
1942	285.2	275.1	336.9	302.5	300.3	271.8	282.5	284.4	262.2	273.3	256.1	274.3
1943	300.9	293.3	360.2	312.7	326.9	294.4	308.5	313.2	288.4			

1/ Data are preliminary, especially for the war period.

Table 2.- Apparent disappearance of storage shell eggs for civilians, United States, by months, 1925-43 1/

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
	Mil. doz.	Mil. doz.	Mil. doz.	Mil. doz.	Mil. doz.	Mil. doz.	Mil. doz.	Mil. doz.	Mil. doz.	Mil. doz.	Mil. doz.	Mil. doz.
1925	29.1	1.8						4.5	37.8	68.7	76.1	63.1
1926	33.2	15.0						8.2	45.8	64.8	80.2	63.6
1927	25.3	4.8						32.9	50.7	74.2	75.9	62.2
1928	25.7							16.6	42.1	68.8	81.2	63.8
1929	35.0	7.1						12.4	40.6	68.0	69.0	57.8
1930	17.0	1.6						24.7	36.0	71.7	78.9	67.8
1931	34.8	9.8						14.6	31.7	66.4	68.9	59.2
1932	24.4	12.2						14.1	32.0	50.1	60.8	31.2
1933	2.5							16.9	44.3	68.7	76.0	57.3
1934	20.4						0.1	30.7	34.1	65.1	67.6	52.0
1935	18.3	0.2						17.2	30.6	81.3	51.3	57.2
1936	24.2	4.4						9.9	35.7	60.9	61.0	33.1
1937	5.5	4.4						9.8	40.0	57.0	74.6	55.2
1938	15.5	1.0						14.1	35.3	45.6	54.2	34.1
1939	5.0							12.8	35.0	57.3	58.2	31.4
1940	14.2							16.3	36.0	56.9	65.2	40.6
1941	9.5						0.4		20.7	43.5	59.4	26.8
1942	3.4						8.0	18.5	21.5	44.4	32.9	16.1
1943	1.8	1.3					9.3	22.6	31.1			

1/ Data are preliminary, especially for the war period. In the months for which no data are shown there was a net into-storage movement or no change in stocks.

Table 3.- Apparent disappearance of storage frozen eggs (shell egg equivalent) for civilians, United States, by months, 1925-43 1/

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
	Mil. doz.	Mil. doz.	Mil. doz.	Mil. doz.	Mil. doz.	Mil. doz.	Mil. doz.	Mil. doz.	Mil. doz.	Mil. doz.	Mil. doz.	Mil. doz.
1925	5.7	4.5	0.2						3.6	2.3	9.2	5.7
1926	4.3	5.3	2.3					0.2	5.0	5.7	6.0	5.4
1927	3.2	7.1						3.4	5.6	7.6	6.4	6.6
1928	7.2	6.1							5.7	8.1	7.6	7.0
1929	7.0	8.2	2.8					5.0	7.7	10.1	8.0	7.9
1930	8.4	7.6						2.8	5.4	7.0	7.6	6.2
1931	6.2	1.5						3.8	5.7	7.0	6.9	5.9
1932	5.5	3.7					1.3	5.1	7.2	8.1	8.4	7.2
1933	7.3	5.0						4.4	7.6	9.0	8.1	9.7
1934	9.4	8.7	0.5					7.8	9.8	9.1	10.3	9.2
1935	9.8	10.8						3.1	11.3	8.7	7.3	7.7
1936	8.0	10.9	0.4					5.5	9.7	12.0	12.8	12.5
1937	10.4	4.1						5.4	9.6	11.8	10.2	9.4
1938	11.0	5.6					2.5	3.3	11.8	12.8	13.0	12.2
1939	10.0	4.7						6.7	11.6	13.8	13.2	12.4
1940	12.8	14.6						7.5	11.9	15.1	16.5	14.4
1941	15.6	6.8							12.4	19.7	19.4	27.2
1942	14.4	1.6						9.6	6.4	19.2	21.4	19.7
1943	14.4	1.3						0.5	8.1			

1/ Data are preliminary, especially for the war period. In the months for which no data are shown there was a net into-storage movement or no change in stocks.

Table 4.- Index numbers of egg production in the United States, by regions and by months, average 1935-39, and 1941 to date

(1925-29 average for corresponding month = 100)

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
						United States						
Average:												
1935-39:	119	101	92	91	91	91	91	91	95	105	125	134
1941 :	154	121	99	95	97	99	102	104	113	132	165	183
1942 :	181	139	116	112	113	115	116	119	126	148	198	213
1943 :	202	165	136	125	127	130	129	129	138			
						North Atlantic						
Average:												
1935-39:	159	136	116	106	104	105	106	109	118	144	183	176
1941 :	207	160	124	112	112	115	119	124	141	183	246	241
1942 :	226	175	136	121	120	122	126	134	156	217	298	272
1943 :	246	196	152	132	129	132	136	145	167			
						East North Central						
Average:												
1935-39:	138	112	96	92	92	92	92	91	94	108	146	159
1941 :	182	129	95	88	91	95	98	98	108	140	197	220
1942 :	202	143	109	100	102	105	107	110	117	146	229	247
1943 :	224	170	125	109	112	116	115	116	123			
						West North Central						
Average:												
1935-39:	108	84	80	83	84	83	80	79	83	91	107	126
1941 :	158	120	97	94	97	97	98	101	109	126	162	205
1942 :	214	154	122	116	117	118	120	123	127	145	209	256
1943 :	236	184	146	133	137	140	138	135	142			
						South Atlantic						
Average:												
1935-39:	100	93	90	89	89	89	88	91	96	105	118	115
1941 :	121	101	93	92	92	92	93	99	113	127	145	145
1942 :	134	112	107	108	109	109	109	111	121	136	158	154
1943 :	151	133	119	116	118	118	117	125	137			
						South Central						
Average:												
1935-39:	101	93	92	94	93	92	92	92	94	97	103	107
1941 :	128	109	97	98	102	106	108	111	117	119	125	141
1942 :	151	124	115	120	125	127	126	128	132	137	159	176
1943 :	179	157	143	140	143	145	142	138	143			
						Western						
Average:												
1935-39:	109	98	94	94	95	97	97	98	100	104	111	110
1941 :	114	104	96	92	91	94	96	98	101	111	122	123
1942 :	127	110	102	102	104	106	106	104	108	119	135	132
1943 :	138	128	117	111	113	114	114	115	119			

Table 5.- Maximum price and supply controls for specified poultry and egg products issued from August 18, 1943, through October 21, 1943

Title of order, issue date, effective date, reference in Federal Register and agency	Commodity	Principal provisions of orders
Amendment 13 to RMPR 269 Issued August 21, 1943 Effective August 21, 1943 8FR-11691, August 24, 1943 O.P.A.	Turkeys	Increased the September ceiling price 1 cent per pound for dressed, drawn and quick-frozen eviscerated turkey items.
Supp. Order 57 Issued September 11, 1943 Effective September 11, 1943: O.P.A.	Poultry and eggs	Amended preamble of Maximum Price Regulations 269 and 333 with respect to use of specifications or standards.
Amendment 14 to RMPR 269 Issued September 28, 1943 Effective October 12, 1943 8FR-13302, September 30, 1943: O.P.A.	Poultry	For all poultry items except turkeys and geese, increased price of dressed birds 1 cent per pound and decreased ceiling price of quick-frozen eviscerated poultry 2 cents per pound and drawn birds 1 cent per pound. "Hard scalded" birds other than ducks and geese were to be classified as grade B and C. Provided that ceilings established for "kosher" items applied only to bonified buyers of such poultry located within 25 miles of point of slaughter.
Amendment 15 to RMPR 269 Issued September 28, 1943 Effective October 4, 1943 8FR-13303, September 30, 1943: O.P.A.	Poultry	Eliminated mark-up allowed wholesalers on deliveries of quick-frozen eviscerated poultry and mark-up allowed "wholesale purveyors" on "special service sales." Reduced mark-up allowed "hotel supply houses" making "special service sales."
RMPR 269 Including Amendment 16 Issued October 6, 1943 Effective October 11, 1943 8FR-13813, October 8, 1943 O.P.A.	Poultry	Provided that drawn poultry in whole, halves, or quarters may not be sold for more than price of whole birds as a unit and that drawn poultry ceilings apply only within a radius of 50 miles of point of slaughter. Poultry killed but not bled and plucked were to be sold at

Continued -

Table 5.- Maximum price and supply controls for specified poultry and egg products issued from August 18, 1943, through October 21, 1943 - Continued

Title of order, issue date, effective date, reference in Federal Register and agency	Commodity	Principal provisions of orders
		prices not to exceed those for live poultry. Defined terms split carcass, quarter carcass, and drawn poultry. This amendment was issued in a release embodying all effective provisions of Revised 269 and previous amendments in force.
Amendment 17 to RMPR 269 Issued October 12, 1943 Effective October 12, 1943 8FR-14016, October 14, 1943 O.P.A.	Poultry	Postponed from October 11 to November 1, 1943, the effective date of that part of Amendment 16 which stated that ceiling on drawn poultry applies to an area within a radius of 50 miles of point of slaughter. Temporarily raised maximum price of quick-frozen eviscerated poultry 1 cent per pound over price established in Amendment 14.
Amendment 13 to MPR 333 Issued August 30, 1943 Effective August 30, 1943 8FR-12095, September 2, 1943 O.P.A.	Shell eggs	Established maximum prices for wholesale grades, specials, extras, standards, and for current receipts, for weeks beginning August 30-October 25, 1943.
Amendment 14 to MPR 333 Issued September 8, 1943 Effective September 14, 1943 8FR-12478, September 10,1943 O.P.A.	Frozen and dried eggs	Permitted increase of 1/2 cent per pound over established maximum prices for frozen eggs when sold in amounts of 20 pounds or less. A mark-up permitted on deliveries of frozen eggs up to 30,000 pounds instead of 20,000 pounds. Permitted mark-up on small deliveries of dried albumen.
Correction to Amendment 13 MPR 333 Issued September 13, 1943 Effective August 30, 1943 8FR-12632, September 15,1943 O.P.A.	Shell eggs	Maximum price in cents per dozen for shell eggs of consumer grade delivered to large retail route sellers or large retailers at their warehouses shall be .75 cents less per dozen rather than .0075 as published in Amendment 13.

Continued -

Table 5.- Maximum price and supply controls for specified poultry and egg products issued from August 18, 1943, through October 21, 1943 - Continued

Title of order, issue date, effective date, reference in Federal Register and agency	Commodity	Principal provisions of orders
O.P.A. Supp. Order 57 Issued September 11, 1943 Effective September 11, 1943 O.P.A.	Shell eggs	Amends preamble of MPR 269 and 333 with respect to use of specifications or standards.
Amendment 15 to MPR 333 Issued October 14, 1943 Effective October 14, 1943 8FR-14093, October 16, 1943 O.P.A.	Shell eggs	2.8 cents added to procurement grade eggs at New York and 2.7 cents at Chicago instead of 2.3 and 2.2 cents respectively issued in Amendment 8.
Amendment 16 to MPR 333 Issued October 21, 1943 Effective October 27, 1943 O.P.A.	Shell eggs	Established maximum price of light dirty shell eggs of Consumer Grade A and AA sold to any Government agency at 1 cent less than previous maximum price of Grade A sold to a Government agency.
FDO 71 - 1 Issued August 23, 1943 Effective August 23, 1943 8FR-11713, August 25, 1943 W.F.A.	Turkeys	Delegates authority for carrying out provisions of FDO 71 in method of considering petitions for relief from hardships in administering Order No. 71.
Amendment 1 to FDO 71 - 1 Issued September 30, 1943 Effective October 1, 1943 8FR-13381, October 2, 1943 W.F.A.	Turkeys	To relieve cases of hardship, Regional Directors will determine if practicable for Armed Services to purchase turkeys in localities.

Continued -

Table 5.- Maximum price and supply controls for specified poultry and egg products issued from August 18, 1943, through October 21, 1943 - Continued

Title of order, issue date, effective date, reference in Federal Register and agency	Commodity	Principal provisions of orders
FDO 40 Terminated as of October 7, 1943 Termination order issued October 6, 1943 8FR-13789, October 8, 1943 W.F.A.	Shell eggs	Removed storage restrictions and set aside provisions on shell eggs. For sustaining proper legal proceedings with respect to violation, rights, or liabilities which occurred during the effective period of the order, the appropriate provisions shall remain in force.
FDO 41 Terminated as of October 22, 1943 Termination order issued October 21, 1943 W.F.A.	Liquid, frozen, and dried eggs	Removed the restriction of distribution and production of liquid, dried, and frozen eggs and egg products. For sustaining proper legal proceedings in regard to violations, rights, or liabilities which occurred during the effective period of the order, the appropriate provisions shall remain in force.
Revised SR 14 to GMPR Amendment 44 Issued October 20, 1943 Effective October 20, 1943 8FR-14350, October 22, 1943	Feathers and down	Established maximum price of used feathers and down which have been reprocessed at 80% of ceiling price for the same mixture of new processed feathers and down.

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